



## COUNTY ADMINISTRATOR'S OFFICE

PIMA COUNTY GOVERNMENTAL CENTER  
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C.H. HUCKELBERRY  
County Administrator

December 18, 2020

Amber Smith, President and CEO  
Tucson Metro Chamber  
212 E. Broadway Blvd.  
Tucson, Arizona 85701

Re: **Your December 17, 2020 Letter Regarding CARES Funds Allocated for Business Assistance Grants**

Dear Ms. Smith:

Chairman of the Board, Ramon Valadez, asked that I respond to your December 17, 2020 letter regarding a number of issues associated with the COVID-19 pandemic. Comparing the County's small business allocations to the City of Tucson's allocation is like comparing apples and oranges.

Given our continued efforts to contain the COVID-19 outbreak and to provide not only public health, vaccinations and medical assistance to the healthcare workers, your letter demonstrates your lack of awareness or understanding of what has occurred in this community relative to response to the COVID-19 pandemic.

As you may not know, Pima County is the only regional agency responsible for public health and as such is entirely responsible for COVID-19 testing, contact tracing, case investigation and a number of other activities related to reducing the spread of community infectious diseases. The \$87 million in Coronavirus Relief aid referenced in your letter has been primarily spent on these obligations. In fact, we have spent approximately \$38 million thus far, in contact tracing and COVID-19 testing, and \$1,200,000 to prepare for the storage and distribution of vaccine, none of which has been the obligation of the City of Tucson.

It should also be remembered Pima County provided all personal protective equipment (PPE) to anyone who needed it. To date, we have spent approximately \$6,000,000 in providing PPE, mostly to businesses to which we provided monthly allocations of PPE to any business with 50 employees or less.

Last Spring, Pima County developed and launched the Back to Business Program. Please recall that you served on the Steering Committee, which I co-chaired with University President Bobby Robbins. That effort guided a community education program that included a \$1,500,000 local advertising campaign featuring both Spanish and English media and accompanying collateral materials to support area businesses.

Ms. Amber Smith

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In addition, Pima County awarded JobPath an additional \$750,000 to expand job training programs, which directly support area businesses. Also of assistance to area businesses is the \$1,100,000 of direct aid to local fire districts.

Finally, area tenants and landlords, which are frequently small businesses, received \$7,800,000 in direct assistance.

While the \$56,350,000 million delineated above supported the business community in general, much has also been done by Pima County to directly support area merchants.

Perhaps you were simply unaware that Pima County has had offered a wide variety of grants programs to area businesses. These include:

- Small Business and Child Care grants - Countywide \$2,000,000
- Small Business Assistance Program – Downtown Tucson Partnership \$554,000
- Small Business Assistance Program – 4<sup>th</sup> Avenue Merchants Association \$455,0000
- Small Business Assistance Program – Mount Lemmon Business Economic Association \$50,000
- Back to Business HOWND Gift Card for local businesses \$25,000
- Direct Assistance to area Attractions & Tourism Venues – \$1,136,277
- Direct support to Visit Tucson to support the tourism industry \$ 500,000

When the \$4,720,277 in direct support is added to the \$56,350,000 in general support of business during the pandemic, a total of \$61,075,277 or 70 percent of the Coronavirus Relief Funds receive by Pima County have been spent in direct support of business.

As you can see, Pima County has been more than concerned about the impact of COVID-19 on the public and economic health of the community and has provided dollars directly to address these needs.

Sincerely,



C.H. Huckelberry  
County Administrator

Enclosure

c: The Honorable Chairman and Members, Pima County Board of Supervisors  
The Honorable Supervisors-elect, Pima County Board of Supervisors  
Board of Directors, Tucson Metro Chamber



December 17, 2020

The Honorable Ramon Valadez  
Chairman  
Pima County Board of Supervisors  
130 W. Congress  
Tucson, AZ 85701

**RE: CARES Funds Allocated for Business Assistance Grants**

Dear Chairman Valadez:

The recent actions taken by Pima County to enact a mandatory curfew and increased penalties for non-compliance of the County's Proclamation is directly affecting business revenues. As we have stated in previous letters, placing strict regulations on business will only result in more businesses closing, higher unemployment and greater pressure on governments who will have to use limited resources to assist people in need which will become even more difficult because of reduced tax revenues.

To date, Pima County has received \$87 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act dollars. When combined with other Federal funds, State and Private dollars received by the County for COVID-19 relief, the total funds equal just over \$102 million. The Pima County Memorandum dated August 24, 2020 titled *COVID-19 Pandemic Update* outlined the following expenditures and allocations for small businesses:

- \$303,500 to Downtown Tucson Partnership to facilitate the safe and successful reopening of businesses
- Downtown Outdoor Café Grant Program – up to \$5,000 and the County received 15 applications
- Downtown Rebound Grant program - up to \$2,000 to off-set costs associated with COVID-19 related expenses and 17 businesses applied
- Small Business Assistance - \$2 million for small business assistance with a primary initial focus being on assisting daycare and childcare businesses
- Ready For You Marketing – Allocated \$550,000 to Ready For You materials and Hilton & Myers to help demonstrate businesses are complying with the measures contained within the Proclamation

The total of these allocations is \$2.9 million. In comparison, the City of Tucson has allocated \$9.6 million for Small Business Continuity Grants that help offset rent, utilities and other business expenses. Businesses with less than 50 employees can receive up to \$20,000 if their application meets the qualifications and is accepted by the program administrators. While a preference is given to women, veteran and disabled-owned businesses, the grant is open to all businesses within the City limits.



Honorable Ramon Valadez  
December 17, 2020  
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Based on recent conversations, it is clear demand is far exceeding supply in relation to the need for assistance. While uncertainty remains with what the federal government will authorize, we know that a large cliff is looming in front of small businesses at the close of the year. Specific areas of assistance requested largely relate to covering overhead like utilities, rent and payroll. While there are protection orders against evictions, this is a false notion that merely postpones the inevitable rent that will still be due, not excused.

Numerous businesses located in unincorporated Pima County need any and all assistance, especially those in the hospitality industry. The voluntary and now mandatory curfew is curtailing these business' opportunity to generate revenue making their circumstance even more dire than before this recent spike. These recent actions are in addition to prior actions that have limited the occupancy in various establishments which has resulted, in some instances, a 70% reduction in revenue compared to previous years.

We respectfully ask that Pima County create a similar small business relief program wherein businesses in Pima County can apply for grants to offset revenue losses as a result of recent actions approved by the Board of Supervisors. Additionally, we request that preference be given to either those in 1) in the hospitality industry including restaurants, bars and hotels, or 2) businesses in unincorporated Pima County.

Sincerely,

A handwritten signature in black ink, appearing to read "Amber Smith", written over a white background.

Amber Smith  
President & CEO

Cc: The Honorable Members of the Pima County Board of Supervisors  
Mr. Chuck Huckelberry, County Administrator  
Dr. Francisco Garcia, Deputy County Administrator  
Dr. Theresa Cullen, Director, Pima County Health Department